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July 12, 2010

**BY EMAIL AND ECF**

Hon. Richard J. Sullivan  
United States District Court  
Southern District of New York  
500 Pearl Street  
New York, NY 10007-1312

**Re: *Canavan et al v. Harbeck et al* (10-cv-5200)**

Dear Judge Sullivan:

We represent the Plaintiffs in this matter which was transferred to this Court today by order of the United States District Court for the District of New Jersey (the "Transfer Order"). While the plaintiffs are victims of Bernard L. Madoff Investment Securities LLC ("Madoff"), we do not believe it is appropriate for this case to be referred to the bankruptcy court. The bankruptcy court has no jurisdiction over this case for two reasons: First, this case is not "related to" the bankruptcy case as that term has been defined by the case law. Second, the plaintiffs have demanded a jury trial and the bankruptcy court has no jurisdiction to conduct a jury trial absent the consent of all parties. Therefore, we ask that this case not be referred to the bankruptcy court.

While the Transfer Order states that this case is "related to" the consolidated Madoff bankruptcy proceeding pending in the bankruptcy court,<sup>[1]</sup> we believe that conclusion is clear error. As a matter of judicial economy, we request that the Court allow us to brief this issue before any automatic referral is made to the bankruptcy court.

Please call me at (212) 599-3322, if Your Honor has any questions. Thank you very much for your attention to this matter.

Very truly yours,

/s/ Helen Davis Chaitman

Helen Davis Chaitman

cc: Paul A. Rowe, Esq. [prowe@greenbaumlaw.com]  
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<sup>[1]</sup> *In re Bernard L. Madoff Inv. Secs., LLC*, 424 B.R. 122 (Bankr. S.D.N.Y. 2010).